

Why Can't We Ever Seem to Get Anywhere?

By Joseph B. Altonji on May 21, 2014

A few weeks ago, I raised a critical issue for law firm leaders (<u>Getting it Done...or Not</u>) – actually accomplishing your strategy! Considering the time and energy required to develop strategy, it seems surprising that so many firms fail to accomplish their key strategic goals. Furthermore, many that are accomplished are far more limited "operational" or "tactical" changes masquerading as strategy (aka, the "easy stuff"). The latter, while beneficial, will likely not change the strategic position or capability of the firm by their self.

What gets in the way of implementation? In our experience, we see a variety of problems, often with multiple related issues impeding in each situation. While different, these issues tend to fall into a few general categories:

1) Flawed Strategic "Plans." Sometimes a strategic plan is simply un-implementable – for example, a plan to rapidly convert a litigation firm with a strong insurance defense brand into a corporate transactional player. Other times, the failure to separate planning from strategy results in plans with little or no buy in or support. An example of the latter might be any one of the numerous "strategic plans" created that focus on having all the partners rededicate themselves to working harder and marketing more, with no clarity around the core strategic challenges the firm faces or the linkage between the expected actions and addressing those challenges.

During the process, look for any of the following "red flags" to warn you about issues at the strategy-setting stage that greatly diminish your odds of successful implementation:

- Failure to define the problem: What is (or are) the key issue(s) the firm's strategy seeks to address? Do all the key stakeholders understand and agree on the issue(s)?
- "Everyone gets a trophy" strategy: Is the plan designed primarily to avoid marginalizing anyone? Are all practices "core?" Has the firm articulated concrete choices concerning future direction? Or can everyone view it as enshrining the status quo, at least at the practice level?
- Goal multiplication: How many enterprise-level core goals does the strategy set out? If the answer is more than a few, there is little chance of success.
- "Make a Wish" strategy: Is your strategy based in reality? Is there an implementable plan that can actually move the firm from where it is (do you know where that is?) to where you want it to be?
- **2)** *Unaligned Organizations*. For many firms, the organizational structure itself presents obstacles to strategic change. For example:
 - Status quo oriented compensation systems. It is often said, "you get what you pay for." Law firms, for the most part, pay for current performance, with implicit rewards for risk adverse and/or selfish behaviors.
 - Weak accountability structures. Do the people expected to make change happen have the necessary authority? Do those being held accountable recognize the authority?
 - Culture. As we have noted in other contexts, culture is one of the biggest impediments to change in any law firm. Too often, culture is trotted out as an excuse for not making necessary, but painful, changes.



- Resource shortfalls. Even if the strategy makes sense, do you have the capital (human and monetary) needed to make it happen?
- Decision-making clarity If practice leaders are charged with implementing a strategy but office Managing Partners can veto hires or staff moves, implementation will grind to a halt.
- 3) Implementation Process Shortfalls. Does your firm have a systematic, and workable, approach or process for driving execution? Is that process pushed down to every level of the organization? Even if it does, sometimes the process itself is flawed by:
 - Too many goals. If individuals or teams are responsible for pursuing multiple goals, chances are none of them will be accomplished.
 - Lack of ownership. Do the people responsible for achieving goals own the goal? Do they have the freedom to set the actions needed to achieve it? Are they accountable for their performance?
 - No metrics. Do you know what success looks like? Can you measure it? Does everyone understand the metrics and the score? Is the team winning or losing?

The Day Job. A far bigger obstacle to success than most firm leaders understand is the twin day-to-day challenges of keeping the firm running and attending to the clients. Sean Covey, Jim Huling and Chris McChesney in their excellent book, **The 4 Disciplines of Execution**, call this the "whirlwind." Successful lawyers – the ones who can do the most in a firm to advance the firm's strategic objectives – are busy people. On average they may spend 1700 hours a year on direct client work, and hundreds more on marketing, client relations, lawyer training and development, and managing the operations of the firm. This workload doesn't leave much time for "achieving strategic goals." The best one could probably hope for is, maybe, a couple of hundred hours a year from your best people (and that could be pushing it!) Harnessing that time and using it to implement a strategy requires discipline and leadership.

The are other challenges to strategy implementation, of course, but most or all of them are likely to fall within the categories discussed above. Over the next few months, we will explore each of these, focusing on the critical issue of actually getting something done.